

596

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1. On 7 July LIANG Ch'ang (梁常), chairman of the board of directors of the Macao Foodstuffs Guild, and LIU Hung-chung (劉洪忠), head of the Ying Ch'ang (盈昌) Company, Macao, held a party at the Kiang Tsui (江頭) Restaurant to which rice merchants were invited to discuss the lifting of the ban on importing rice into Macao. Those attending were HO Hsien (霍賢), CHUNG Tzu-kuang (鍾子光), CH'EN Man (陳敏), KAO Chon-wu (高崇武), HUO Ch'iang, WANG Ho-ping (王浩平), LIU Chien (劉乾), TS'UI T'ai (崔泰), MO Hsi-i (莫希義) and LIU Hui-jan (劉惠全).
2. LIANG Ch'ang announced that the Macao government had lifted its control over foodstuffs and merchants were allowed to import rice freely. LIU Hung-chung, who had been allowed to import rice freely even during the foodstuffs control period, reported on the rice marketing conditions from April to June. He said that 57,000 bags of rice and 555,000 catties of unhusked rice had been imported, 70 percent from Communist China and 30 percent from Thailand and Indochina.
3. The rice merchants agreed that the Ying Ch'ang Company should maintain its leadership in importing rice to Macao, especially since it would be the only company that would be allowed to import from China and could dump this rice on the market and squeeze out competitors from Hong Kong.
4. HO Hsien had been discussing the form of application to import rice from China with the Pearl River District Food Bureau. It was decided that only the Ying Ch'ang Company and the Nan Kuang Company would be allowed to import rice and that all other dealers would have to work through these companies.
5. In early July a Japanese ship, the KANE SAKAE MARU (金栄丸), with MR Ioshit-sugi (伊勢木) as captain, from Okinawa, was detained by the Hong Kong water police after it entered Hong Kong waters by mistake, and fined. The value of the cargo was estimated to be HK \$200,000.

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CENTRAL INTELLIGENCE AGENCY

- 2 -

6. On 14 July CHANG Hsing (張興), investigator for the Kwangtung Public Safety Bureau in Macao, requested LAI Ching-hu (黎鏡湖), deputy chairman of the board of directors of the Macao Water and Electricity Union, to ask CHANG Wei-kuang, a former employee of the Ha Ko (鴻哥) shipyard, for information on production at the shipyard. CHANG Hsing's job in Macao is to obtain information on Portuguese armed forces in the area.
7. HUO I-feng (火鳳), manager of the T'ien Pao Goldsmith Shop on Hsin Ma Road, is in charge of a Chinese Communist gold smuggling organization in Macao. Gold is shipped from Macao to Hong Kong for eventual transshipment overseas to obtain funds for the purchase of military equipment.
8. In late June the Chinese Communists shipped 5,000 ounces of opium from Canton to Macao, where it was stored in the Wan Chi area by the Kuang Sheng Company. About 1,500 ounces of this opium was later moved to the Hein Kuang Transportation Company in Ch'ien Shan. Those in charge of the sale of opium are LAO Ping-shan (老平山), HUANG Sen (黃森), HUANG Ch'u-man (黃祖民), and CH'EN Pei (陳培).

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1 [REDACTED] Comment. Two bags of rice equal one picul.

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